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Patent

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Application No.: 09/583,216

Applicant: Lou Leonardo

Filed: May 30, 2000

For: Method and System for Reporting  
Fraud and Claiming Insurance  
Related to Network-Based  
Transactions

Art Unit: 3626

Examiner: Frenel, Vanel

Docket No.: 3801P021

Confirmation No.: 2363

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail with sufficient postage in an envelope addressed to the Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450.

on November 8, 2004  
Date of Deposit

Leslie D. Rogan  
Name of Person Mailing Correspondence

Leslie D. Rogan 11/8/04  
Signature Date

**DECLARATION UNDER 37 C.F.R. §1.131**

I, Tola Dalton, hereby declare that:

1. I am an employee of eBay, Inc., and a co-inventor of the invention as described and claimed in the above-captioned patent application ("the patent application") assigned to eBay Inc., of San Jose, CA.
2. This declaration is made to establish actual reduction to practice of the invention as claimed in the above-identified patent application in the United States at least prior to February 15, 2000, which I understand is the effective date of U.S. Patent Application Publication with Publication No. U.S. 2004/0059596, cited by the Examiner in the Office Action of May 6, 2004.
3. The invention, as described and claimed in the patent application, was reduced to practice and put to commercial use at least prior to February 15, 2000, in this country, as is evidenced by Exhibits A and B. The invention was embodied in a Fraud Reporting System commercially available via the eBay web site.

4. Exhibit A is a true and accurate copy of an Internet document (e.g., a web page) that was publicly available as part of the eBay website at least prior to February 15, 2000. Exhibit A shows a help page with answers to frequently asked questions related to insurance services provided by eBay. On page 3, under the heading, *Q. How do I file a claim?*, Exhibit A makes reference to the Fraud Reporting System, embodying the invention. As evidenced by Exhibit A, the Fraud Reporting System facilitated 1) the submission of a complaint, 2) a resolution of the complaint, and 3) a claim for insurance if the complaint is not resolved.
5. Exhibit B is a true and accurate, date-redacted copy of an email thread initiated by a user of the fraud reporting system at least prior to February 15, 2000. The email thread involves a discussion related to a claim submitted by the user of the Fraud Reporting System. As evidenced by the user's email (i.e., the email from KSFYRCOP@aol.com on page 2 of Exhibit B), the Fraud Reporting System associated the identifier "# 705" with the complaint submitted by the user.
6. Based on the above description and from the documents attached (Exhibit A and B), it can be seen that the invention in this application was reduced to practice at least prior to February 15, 2000.

I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements are made with the knowledge that willful false statements and the like are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the above identified application or any patent issued thereon.

Dated: Monday, Nov 8, 2004

By Tola Dalton  
Tola Dalton

**EXHIBIT A**

- Preview the [new International Search pages!](#)
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## Frequently Asked Questions about Insurance:

- [How do I get my insurance as an eBay user?](#)
- [What is a "user in good standing" in the eBay community?](#)
- [How much does insurance cost?](#)
- [Is every auction/item covered by insurance?](#)
- [What is the maximum amount of coverage that I can receive per auction?](#)
- [What do reimbursement fees cover?](#)
- [What do you recommend if my auction exceeds \\$200?](#)
- [How do I file a claim?](#)
- [How many claims can I file?](#)
- [Is there a deductible associated with the program?](#)
- [What happens to a seller if they have an insurance judgement filed and paid against one of their auctions?](#)
- [How are insurance and feedback related?](#)

## Still got a question?

Search for help on:

 

(e.g., *what is a Dutch Auction?*)

If you can't find an answer to your question here, [Ask eBay](#).

### Q. How do I get my insurance as an eBay user?

A. You are automatically covered by Lloyd's, the industry leader in insurance coverage, if you are an eBay buyer in good standing (sellers are not covered). However, exceptions include purchases of items that violate our [User Agreement](#) (such as illegal or infringing items) or items that are not approved in our [community guidelines](#). Users who have applied for their maximum number of claims and users who are buying from sellers with a negative feedback rating are also excluded.

**Q. What is a "user in good standing" in the eBay community?**

- A. A user in good standing is any user who has a net feedback rating of zero or above and whose contact and identification information was accurately supplied.

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**Q. How much does insurance cost?**

- A. The insurance program started on March 1, 1999 and is free until September 1, 1999. After September 1, the program may still be free. Stay tuned for more details.

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**Q. Is every auction/item covered by insurance?**

- A. An item is covered when the high bidder of an auction sends money to the seller, in good faith, and does not receive the item or the item received is significantly different than the item described in the auction.

Final bid amount must exceed \$25 to qualify for the program. Only auctions in which both seller and buyer have net feedback rating of zero or above qualify. The item sold must comply with eBay's [User Agreement](#).

Insurance does not apply if the shipping company has lost the package or if the item has been damaged in transit. If your package was lost or damaged in transit, please contact the shipping company for its reimbursement policy.

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**Q. What is the maximum amount of coverage that I can receive per auction?**

- A. \$200 is the maximum amount of insurance per auction (less a \$25 deductible). If a claim is approved, the user will receive the lesser of \$200 or the final bid amount (less a \$25 deductible).

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**Q. What do reimbursement fees cover?**

- A. Reimbursement fees only cover final bid price. Other fees such as shipping and escrow fees are not covered.

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**Q. What do you recommend if my auction exceeds \$200?**

A. For transactions in excess of \$200 we recommend using our escrow services.

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**Q. How do I file a claim?**

A. All requests must be registered within 30 days at the end of the auction.

- Register your complaint in the Fraud Reporting System.
- From the date of your complaint, you have 30 days to resolve the complaint with the other user.
- At the end of 30 days, if you have not resolved your complaint with the other user, you may continue your complaint in the Fraud Reporting System. If you meet the guidelines for insurance, the Fraud Reporting System will issue an online insurance form.
- Send your insurance claims to cynoSure Financial, a claims administrator acting on behalf of certain underwriting syndicates at Lloyd's. They will contact you within 45 days after filing to let you know the results of the investigation.
- Please list adult items in the correct area. Otherwise, your auction may be relocated or ended. You could even be suspended from the site.

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**Q. How many claims can I file?**

A. The total amount of claims per user is limited to one per month during the first six months of this program.

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**Q. Is there a deductible associated with the program?**

A. Yes, there is a \$25 deductible per claim. Here's an example: If you file a claim for \$35 and it's approved, you would receive \$10. If you file a claim for \$200 and it's approved, you would receive \$175. If you file a claim for \$500 and it's approved, you would receive \$175. Remember, \$200 is the maximum amount of insurance available per auction (less a \$25 deductible).

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**Q. What happens to a seller if they have an insurance judgement filed and paid against one of their auctions?**

A. eBay may suspend any user who has a fraudulent claim reported and

confirmed against them.

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### Q. How are insurance and feedback related?

A. Feedback is the cornerstone of the eBay community. It helps buyers and sellers trade smart. Insurance is provided to protect buyers if they are proven to be victims of fraud.

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To go to the Insurance area, click [here](#).

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**EXHIBIT B**



From: Tola Dalton [mailto:tdalton@eBay.COM]  
Sent: \_\_\_\_\_  
To: Bechtold, Sol; 'Dalton, Tola'  
Cc: Leonardo, Lou; Malacari, Angela; Kunihiro, Tim  
Subject: RE: Insurance Bug

Sol,

Yes, this sounds like the same problem as before where users are getting incorrect messages because of bad data still in the database from the old CRS. It should phase out on its own as the database gets populated with good data, but we'll have to deal with problems like this in the mean time.

Tola

-----Original Message-----

From: Bechtold, Sol [mailto:sbechtol@eBay.COM]  
Sent: \_\_\_\_\_  
To: Dalton, Tola  
Cc: Leonardo, Lou; Malacari, Angela; Kunihiro, Tim  
Subject: FW: Insurance Bug

Tola,

Does this sound like something you ran across already? See message thread below...

Thanks,

Sol

-----Original Message-----

From: Malacari, Angela  
Sent: \_\_\_\_\_  
To: Bechtold, Sol  
Subject: FW: Insurance Bug

Hi Sol,

Do you know if this is the case? Thanks.

Angela

-----Original Message-----

From: Kunihiro, Tim  
Sent: \_\_\_\_\_  
To: Malacari, Angela; 'techcsrs@ebay.com'  
Cc: Bechtold, Sol  
Subject: RE: Insurance Bug

I believe Tola addressed this in a previous email. Anyone who originally went through the system prior to the fix may receive the erroneous message.

I think he said it was because it couldn't find the item number.

Please advise if this is a different situation.

tim

-----Original Message-----

From: Malacari, Angela  
Sent: \_\_\_\_\_  
To: 'techcsrs@ebay.com'

Cc: Bechtold, Sol; Kunihiro, Tim  
Subject: FW: Insurance Bug

Hi Folks,

It seems like we have come across yet another person who is receiving this error code since we have adjusted the period to 60 days. I passed one on to Anthony Ly earlier this morning but, can we also look into this one?  
Thanks.

Angela

-----Original Message-----

From: Geoff Wilde [mailto:gwilde@eBay.COM]

Sent: \_\_\_\_\_

To: Angela Malacari (E-mail)

Subject: Insurance Bug

Hi Angela,

I'm not sure if you still want these in your new capacity here, but I haven't heard who would take over this part yet. This is one of those bugs that supposedly was fixed.

Geoff

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From: KSFYRCOP@aol.com <mailto:KSFYRCOP@aol.com> < KSFYRCOP@aol.com  
<mailto:KSFYRCOP@aol.com> >  
To: Safe Harbor < SafeHarbor@eBay.com <mailto:SafeHarbor@eBay.com>  
>  
Subject: RE: Insurance

On \_\_\_\_\_ I filed a complaint through the Fraud Reporting and Insurance Claim Form (# 705) concerning a money order that was sent for an item, which I never received. The auction closed on \_\_\_\_\_

When

I went to the Fraud Reporting and Insurance Claim form today, \_\_\_\_\_ (30 days after the filing of the complaint) it stated that I was not eligible for insurance since the claim was filed 60 days after the close of the auction. Apparently it seems that Ebay is not living up to its promise of providing insurance for winning bidders. The price paid for the watch was \$ 147.50.

I would appreciate it if you would look into this matter and see that I am provided with the safety assurances that Ebay claims they provide.

Thank you, V. L. Rein